GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3612
ANSWERED ON:21.12.2015
Leather Industry
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government proposes to spend a huge amount on leather sector during the 12th Plan period under Indian Leather Development Programme (ILDP) and if so, the details thereof;

(b) whether some of the programmes initiated during the 11th Plan period for leather sector are likely to be carried forward during the 12th Plan and if so, the details thereof;

(c) whether the Government has noticed that recent hurdles like Cow Slaughter Ban will have an adverse impact on leather industry and if so, the corrective measures taken by the Government in this regard;

(d) the details of schemes being implemented by the Government for development of leather sector along with the funds allocated/released and utilized thereunder during the said period, scheme and State/UT-wise; and

(e) the incentives and facilities provided to leather based industries along with the facilities made available to labourers engaged in the said sector at present, State/UT- wise?

Answer

???????? ??? ?????? ???????????? (????????? ??????)(??????? ??????? ???????)
THE MINISTER OF STATE (INDEPENDENT CHARGE)
OF THE MINISTRY OF COMMERCE & INDUSTRY
(SHRIMATI NIRMALA SITHARAMAN)

(a): The Government has approved implementation of Indian Leather Development Programme with an outlay of Rs. 990.36 crore for the XIIth Five Year Plan.

(b): The following sub schemes have been continued from 11th plan to 12th plan under Indian Leather Development Programme.

1) Integrated Development of Leather Sector (IDLS)
2) Human Resource Development (HRD)
3) Support to Artisan
4) Establishment of Institutional Facilities
5) Leather Technology, Innovation & Environmental Issues
6) Mega Leather Cluster

(c): Hides and Skins of Fallen and slaughtered animals come from various sources which involve many stake holders like slaughter houses, merchants, market places, mandis etc. Also, a sizeable portion of the hides procured in India are from fallen animals. Besides, the industry imports hides, skins and leathers from various countries.

(d) & (e): The Indian Leather Development Programme comprises the following six sub-schemes:
1) Integrated Development of Leather Sector (IDLS)

(i) Assistance is provided for technology up-gradation / modernization of leather units as investment grant @30% to small & micro units and @20% to other units through nationalized bank with maximum assistance of Rs. 2 crore for each product line.

(ii) 524 new cases have been approved till date involving GOI assistance of Rs. 110.79 crore and total investment of Rs.449.81 crore. Out of these 524 cases, 313 cases have already been disbursed GOI assistance of Rs.49.47 crore. Further, Rs.60.42 crore has been released to settle the pending claims of 494 cases of 11th Plan period. Rs. 1.18 crore has been released to Project Implementing Units as implementation charge. Total Rs. 111.07 crore has been released under the sub-scheme.

2) Human Resource Development (HRD)

(i) Assistance is provided for placement linked skill development training to unemployed persons @ Rs. 15,000 per person, for skill up-gradation training to employed workers @ Rs. 5,000 per employee and training of trainers @ Rs. 2 lakh per person. The placement of 75% of trained persons is mandatory for availing assistance related to skill development training component.

(ii) Placement linked skill development training is being provided to unemployed persons by Footwear Design and Development Institute (FDDI), Noida @ 12,000 persons per month. Skill upgradation training is started for 20,000 workers by Government College

of Engineering and Leather Technology (GCELT), Kolkata.

(iii) 286164 unemployed persons have been provided placement linked skill development training in Noida, Agra, Fursatganj, Kanpur, Rae-Bareili, Kolkata, Chennai, Rohtak, Bahadurgarh, West Bengal and North East States with GOI assistance of Rs. 258.52 crore. Out of these, 229805 trainees (80%) have been provided employment in the leather sector.

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The status of HRD sub-scheme for 12th FYP is as given:
12th FYP Year-wise Data
No. of persons trained No. of persons placed %age
2012-13 27560 21222 77
2013-14 63050 49987 79
2014-15 138608 113244 82
2015-16* 56946 45352 80
Total 286164 229805 80
Secondary Training (2014-15) 6000 6000
Total 292164 235805 80
*upto 31.10.2015.

(Persons in million)

STATEWISE DETAILS of PLSDP TRAINEES (From April 2014 to October 2015)

State No. of Trainees
Andaman & Nicobar 0
Andhra Pradesh 1145
Arunachal Pradesh 3
Assam 67
Bihar 5555
Chandigarh 102
Chhattisgarh 48
Dadar Nagar Haveli 0
Daman & Diu 0
Delhi 11675
Goa 0
Gujarat 19
Haryana 7073
Himachal Pradesh 1650
Jammu & Kashmir 32
Jharkhand 288
Karnataka 1197
Kerala 83
Lakshyadeep 0
Madhya Pradesh 386
Maharashtra 865
Manipur 0
Meghalaya 0
Mizoram 0
Nagaland 1
Odisha 118
Puducherry 486
Punjab 2655
Rajasthan 8405
Sikkim 1
Tamil Nadu 25852
Telangana 3
Tripura 2
Uttar Pradesh 86633
Uttrakhand 6005
West Bengal 34600
Total till October 2015 194949

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3) Support to Artisan scheme

(i) Assistance is provided for Support to Artisans for formation of Self Help Groups (SHGs), Product development, capacity building, providing Centralized Common Facilities Centers and marketing linkages for 30,000 artisans.

(ii) 31538 artisans have been covered in Jaipur, Alwar, Jodhpur, Patiala, Rai-Bareilly, Maharashtra, West Bengal with GOI assistance of Rs.60.37 crore. Rs. 2.71 crore has been released to settle pending claims. Total Rs. 63.02 crore has been released under the sub-scheme.

State-wise details of trainees:

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State wise details of trainees
Training Details:

S. No. Cluster No. of Trainees

1 Alwar / Jaipur 5041
2 Jodhpur 5101
3 Punjab 5100
4 Rae Bareli 5029
5 West Bengal 5100
6 Maharashtra 5031

Total
30402

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4) Leather Technology, Innovation & Environmental Issues

(i) Assistance is provided for upgradation/installation of Common Effluent Treatment Plants (CETPs) @ 50% of the project cost. It is also proposed to provide support for Pilot Projects under Technology Benchmarking for leather units, organizing Environment Related Workshops and Pilot projects for Solid Waste Management.
(ii) Assistance has been provided for two CETP projects in Tamil Nadu. Rs.11.19 crore (Rs.6.73 in 2012-13 and Rs.4.46 crore in 2013-14) have been released. One CETP project i.e. SIDCO-II at Ranipet has been completed. Another CETP project i.e. Dintec at Dindigul is expected to be completed in 2014-15.
(iii) One Project of Solid Waste Management in Calcutta Leather Complex by Central Leather Research Institute (CLRI), Chennai has been approved with GOI assistance of Rs. 95.12 lakh. Rs. 0.57 Lakh has been released to CLRI for this project in FY 2015-16.

5) Mega Leather Cluster scheme

(i) This sub-scheme aims at providing infrastructure support to the Leather Industry by establishment of Mega Leather Cluster. The minimum land area required for Mega Leather Cluster is 25 acres to be set up without tanneries and 40 acres with tanneries.
(ii) Graded GOI assistance is provided upto 50% of the project cost excluding cost of land with maximum GOI assistance being limited to Rs. 125 crore which is detailed as below:
(a) MLC of 25-60 acres land (to be set up without tanneries) and 40-60 acres land (to be set up with tanneries)- GoI assistance limited to Rs 50 crore;
(b) MLC of 61-100 acres land- GoI assistance limited to Rs 70 crore;
(c) MLC of 101-150 acres land- GoI assistance limited to Rs.105 crore;
(d) MLC of more than 151 acres land- GoI assistance limited to Rs 125 crore.

(iii) It is proposed to provide support for establishment of at least two MLCs all over India during 12th Plan period. A panel of Project Management Consultants (PMC) has been appointed.

6) Establishment of Institutional Facilities

(i) Department has approved establishment of two new branches of FDDI in the States of Punjab and Gujarat with GOI assistance of Rs.100 crore each branch. Construction work is in progress. The status of fund release is as given below:
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Branch Funds Released
Ankleshwar (Gujrat) 83 Crore
Banur (Punjab) 46.36 Crore
Total 64 Crore

The funds release and utilized under Indian Leather Development Programme (ILDP) during 12th FYP is as given under:
(Rs. in Crores)
Year Funds Released Funds Utilized
2012-13 90 90
2013-14 150.01 150.01
2014-15 270 270
2015-16 200 200
Total 710.01 710.01

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